(b) if so, what is Government's reaction thereto:

(c) whether these suggestions include that India can achieve economic reforms without huge social cleavages developing across sectoral bonds: and

(d) if so, the details thereof with steps to be taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY): (a) to (d) During his visit to India Dr. Jeffery Sachs, Professor of International Trade, Harvard University, gave interviews to different newspapers including Times of India. The main issues raised by Prof. Sachs as reported in newspapaer includes the following:

(i) The reforms were going at the right pace in the right direction but were largely unfinished.

(ii) Despite liberalization, India remained a country with very high tariffs, which should be brought down to 15 per cent.

(iii) There was no justification for protecting the consumer goods sector.

(iv) The fear of take-over by multinationals was largely un founded.

(v) Restricting the foreign ownership to 51 per cent of the equity was ridiculous as even by that limit the majority stake in a company goes to the foreign companies. The restrictions on ceiling and the provision for Government approvals in these cases should be scrapped.

(vi) Banks should be denationalised and given to private sector.

(vii) The Indian tax system was in efficient and it needs to be corrected.

(viii) Labour reforms are also necessary.

(ix) The Government should go in for massive privatisation of state enterprises and move away from the infrastructure sectors like hotels and highways.

The suggestions made by different associations and individuals are kept in view by the Government while formulating appropriate economic policies.

Violation of FERA

1096. DR. SANJAYA SINH:
SHRI VIRENDRA KATARIA:

Will the Minister of FINANCE be pleased to state:

(a) what are the details of raids conducted by the team of officials for violation of Foreign Exchange Regulation Act. during the last six months; and

(b) what are the names of businessmen arrested for violation of FERA during that period along with the details of documents/money seized from them?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY): (a) During the last six months (Sept. 1994 to Feb. 1995) the Enforcement Dtrectorate conducted 737 searches, seized Indian currency to the tune of Rs. 4.46 crores and foreign currencies worth Rs. 5.63 crores.

(b) The relevant cases are under investigation/sub-judice. It would not be in public interest to disclose the details at this stage.